

**Section-By-Section Analysis
USPTO Technical Adjustments Act of 2010**

**TITLE I — TECHNICAL AND CONFORMING AMENDMENTS TO
TRADEMARK LAW**

SECTION 101: Technical and Conforming Amendments.

Subsection (a): Certificates of registration - - 15 U.S.C. §1057 is amended to change “registrant” to “owner” for consistency with Section 8. The Trademark Law Treaty Implementation Act amended Section 8, 15 U.S.C. §1058, to replace the term "registrant" with the term "owner," to make it clear that the affidavit of continued use or excusable nonuse must be filed by the owner of the registration. Section 7(e), 15 U.S.C. §1057(e), should be further amended to delete the reference to a certified copy of a registration certificate that had been lost or destroyed, because it is unnecessary.

Subsection (b): Duration, Affidavits and Fees - - 15 U.S.C. §1058, should be amended to clarify requirements for filing the affidavit of continued use or excusable nonuse and to provide that the filing of the affidavit in the name of someone other than the owner is a “deficiency” that can be corrected after the expiration of the grace period. This amendment reflects the spirit of the Trademark Law Treaty, facilitating maintenance of registrations.

Subsection (c): Incontestability of Right to Use Mark Under Certain Conditions - - 15 U.S.C. §1065, must be amended to change “registrant” to “owner” for consistency with Section 8. The Trademark Law Treaty Implementation Act amended Section 8, 15 U.S.C. §1058, to replace the term "registrant" with the term "owner," to make it clear that the affidavit of continued use or excusable nonuse must be filed by the owner of the registration. Section 7(e), 15 U.S.C. §1057(e), should be further amended to delete the reference to a certified copy of a registration certificate that had been lost or destroyed, because it is unnecessary.

Subsection (d) – Appeal to Courts - - 15 U.S.C. §1071 is amended to require affidavits of use to be filed for registrations issued as extensions of protection under the Madrid Protocol. Reference to section 71 was inadvertently omitted from section 21, (15 U.S.C. §1071) which permits appeal of an adverse decision of the Director regarding an affidavit of continued use or renewal application to the United States Court of Appeals for the Federal Circuit. This proposed amendment will correct the omission of the reference to section 71 in section 21(a)(1).

Subsection (e) – Duration, Affidavits and Fees - - 15 U.S.C. §1141k is amended to require affidavits of use to be filed for registrations issued as extensions of protection under the Madrid Protocol. §1141k is also amended to provide for grace periods for filing affidavits of continued use or excusable nonuse. The first affidavits under Section 71 will come due by February, 2010. The provisions of the Trademark Law

Treaty Implementation Act, which changed the grace periods for filing affidavits of use or excusable nonuse and provided for correction of deficiencies in such affidavits, were inadvertently omitted from Section 71, which sets forth the requirements for filing affidavits of use or excusable nonuse for registered extensions of protection of international registrations to the United States pursuant to Section 69, 15 U.S.C. §1141i, of the Trademark Act. Finally, 15 U.S.C. §1141k(c), is amended to provide that the filing of the affidavit in the name of someone other than the owner is a “deficiency” that can be corrected after the expiration of the grace period.

TITLE II — PROVISIONS TO IMPLEMENT THE HAGUE AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF INDUSTRIAL DESIGNS.

SECTION 201. This section amends title 35 of the United States Code by adding a new Part V with the following provisions:

Section 381 – Definitions

Section 382(a) - Any person who is a national of the United States or has a domicile, habitual residence or a real and effective industrial or commercial establishment in the United States may file an international design application through the United States Patent and Trademark Office (USPTO).

Section 382(b) - The USPTO shall perform all acts connected to the discharge of its duties under the treaty, including the collection of fees. In addition, the USPTO shall transmit the international design application to the International Bureau upon payment of the transmittal fee subject only to a secrecy review according to chapter 17 of title 35 of the United States Code.

Section 382(c) - The provisions of chapter 16 of title 35 of the United States Code will apply to all international design applications, unless otherwise provided in this legislation, so that all substantive and other matters not mentioned in the treaty are governed in the same way as they are with respect to national design applications.

Section 382(d) - An international design application filed outside the USPTO on a design made within the United States will constitute the filing of an application in a foreign country within the meaning of chapter 17 for the purposes of secrecy review and of obtaining a foreign filing license.

Section 383 - An international design application is required to contain certain items in addition to those in a national design application.

Section 384(a) - Generally, the filing date of an international design application in the United States is considered the effective registration date given by the International Bureau under the treaty. In addition, an international design application designating the

United States that otherwise meets the requirements of chapter 16 may be treated as a national design application by the USPTO.

Section 384(b) - However, an applicant may request review by the USPTO of the filing date of the international design application in the United States. The review may result in the applicant receiving a different filing date in the United States than the effective registration date.

Section 385 - An international design application that designates the United States will have the same effect, from its filing date as determined in accordance with proposed section 384, as that of a national application for design patent regularly filed in the USPTO.

Section 386(a) - A national patent application shall be entitled to a right of priority based on a prior international design application that designated at least one country other than the United States.

Section 386(b) - An international design application designating the United States shall have a right of priority based on a prior foreign application, a prior application filed under the Patent Cooperation Treaty designating at least one country other than the United States, or a prior international design application designating at least one country other than the United States.

Section 386(c) - An international design application may get the benefit of the filing date of a prior national application, a prior application filed under the Patent Cooperation Treaty designating the United States, or a prior international design application designating the United States. In addition, a national application may get the benefit of the filing date of a prior international design application designating the United States.

Section 387 - An applicant's failure to act within prescribed time limits with respect to an international design application may be excused upon a showing to the USPTO of unintentional delay.

Section 388 - Generally, although made subject to the provisions of sections 384 and 387 of this part, if an international design application designating the United States is withdrawn, renounced, cancelled or is considered withdrawn or abandoned either generally or with respect to the United States, the designation of the United States shall have no effect and shall be considered as not having been made. However, the withdrawn, renounced, cancelled, or abandoned international design application may serve as the basis of a claim of priority, if it designated a country other than the United States. In addition, a national application may claim the benefit of an earlier filing date based on such an international design application if the national application was filed before the date of withdrawal or abandonment.

Section 389(a) - The Director of the USPTO shall cause examination of international design applications designating the United States.

Section 389(b) - All questions of substance and, to the extent consistent with the treaty, of procedure will be determined in the same way as they are with respect to national design applications filed under chapter 16.

Section 389(c) - The Director of the USPTO will prescribe fees for filing international design applications, for designations of the United States and for any other processing, services or materials relating to international design applications in order to recoup the expenses of these procedures.

Section 389(d) - The USPTO will not accept an international design application designating the United States that was filed by anyone not entitled to file a national application under chapter 16 of title 35. Such application also may not serve as the basis for an earlier filing date under 35 U.S.C. § 120, but may serve as a priority claim pursuant to 35 U.S.C. § 119 if the United States was not the sole country designated.

Section 389(e) - United States design patents will be issued based on international design applications and will have the same force and effect of a United States patent issued on a design application under chapter 16 of title 35.

Section 390 - Publication of the international design registration by the International Bureau under the treaty shall be deemed a publication under section 122(b), which will allow such a publication to have the same prior art effect as an eventually granted patent, and for provisional rights pursuant to section 154(d)(1).

SECTION 202. Conforming Amendments.

Section 154(d)(1) of Title 35 is amended to ensure a patent based upon an international design application may include the right to obtain a reasonable royalty from another who made, used, sold, offered for sale or imported into the United States a substantially similar invention between the date that the international design application was published and the date that it issued into a patent, after having actual notice of the published application.

Section 173 of Title 35 is amended to ensure the patent term of design patents based on both national applications and international design applications would be 15 years from the grant of the patent.

There are additional conforming amendments made to ensure consistency with the new part, particularly as to certain priority issues in Sections: 104(a)(1), 111(b)(7), 120, 154(a)(3), 365(c) and 368(b).

SECTION 203. Effective Date.

The effective date of the Act will be the date on which the Geneva Act of the Hague Agreement enters into force with respect to the United States.

TITLE III — IMPLEMENTING THE PROVISIONS TO IMPLEMENT THE PATENT LAW TREATY.

SEC. 301. Provisions to Implement the Patent Law Treaty.

This section amends the relevant provisions of title 35, United States Code, to comply with the requirements of the Patent Law Treaty (PLT). The amended provisions are divided into three subsections in section 2 of the bill: (a) those provisions of title 35, United States Code, relevant to patent application filing date; (b) those provisions of title 35, United States Code, relevant to relief in respect of time limits and reinstatement of rights; and (c) those provisions of title 35, United States Code, relevant to restoration of the priority right. Each subsection is addressed separately.

(a) Application Filing Date

This subsection amends sections 111(a)(3) and (4) and sections 111(b)(3) and (4) of title 35, United States Code, and adds a new section 111(c) to title 35, United States Code. The amendments to sections 111(a)(3) and (4) and sections 111(b)(3) and (4) eliminate claims as a filing date requirement for applications filed under section 111(a), more closely align the corresponding provisions of sections 111(a) and 111(b) and more clearly distinguish the filing date requirements in those sections from the more substantive requirements of sections 112 and 113 of title 35, United States Code.

Section 111(a)(3) is amended by changing the heading to include the phrase “AND CLAIMS” and by providing that not only the fee and oath, but also one or more claims, may be submitted after the filing date of the application, within such period and under such conditions, including the payment of a surcharge, as may be prescribed by the Director of the United States Patent and Trademark Office. Additionally, the section is amended to provide that upon failure to submit the fee, oath, and one or more claims within such prescribed period, the application shall be regarded as abandoned.

Section 111(a)(4) is amended by changing the heading to “FILING DATE” and by deleting the first sentence and amending the second sentence to provide that the filing date of an application shall be the date on which a description is received in the Patent and Trademark Office. The provision in Article 5(1)(b) of the PLT is noteworthy in the context of a filing date requirement as it permits a Contracting Party to accept a drawing as a description. This ability is considered to be consistent with current decisional law in the United States and no change in that regard is intended. See *Vas-Cath Inc. v. Mahurkar*, 935 F.2d 1555, 19 USPQ2d 1111 (Fed. Cir. 1991).

Section 111(b)(3) is amended to provide that the application must be accompanied by the fee required by law, that the fee may be submitted after the filing date of the application, within such period and under such conditions, including the payment of a surcharge, as may be prescribed by the Director and that upon failure to submit the fee within such

prescribed period, the application shall be regarded as abandoned. The section is also amended to delete the last clause; with the subject matter therein addressed in new section 27, discussed below.

Section 111(b)(4) is amended by providing that the filing date of a provisional application shall be the date on which a description is received in the Patent and Trademark Office.

Section 111 is further amended by providing a new subsection (c) that provides that a reference made upon the filing of an application to a previously filed application shall, as prescribed by the Director, constitute the description of the subsequent application for purposes of a filing date. New subsection (c) further explains that a copy of the specification and any drawings of the previously filed application must be submitted within such period and under such conditions as may be prescribed by the Director, and that upon failure to submit the copy of the specification and any drawings of the previously filed application within such prescribed period, the application shall be regarded as abandoned.

(b) Relief in Respect of Time Limits and Reinstatement of Rights.

This subsection amends section 21(b) of title 35, United States Code, and adds a new section 27 to Chapter 2 of title 35, United States Code.

Section 21(b) of title 35, United States Code, is amended to provide that if the day, or the last day, for taking any action or paying any fee in the United States Patent and Trademark Office, or of any of the periods fixed in sections 102, 119, 122, 135, 156, 172, and 251 of this title, falls on Saturday, Sunday, or a federal holiday within the District of Columbia, the action may be taken, or fee paid on, and the period shall be extended to, the next succeeding secular or business day. As amended, the carry-over provision of section 21(b) will apply to all of the filing period requirements in those enumerated sections of title 35, thereby codifying and extending *Ex parte Olah*, 131 USPQ 41 (Bd. App. 1960). These amendments are consistent with the PLT requirements that operate to avoid loss of rights due to the unavailability of relief in respect of time limits.

Chapter 2 of title 35, United States Code, is amended by providing a new section 27, with the heading “Revival of applications; reinstatement of reexamination proceedings,” which provides that the Director may establish procedures to revive an unintentionally abandoned application for patent, accept an unintentionally delayed payment of the fee for issuing each patent, or accept an unintentionally delayed response by the patent owner in a reexamination proceeding, upon petition by the applicant for patent or patent owner. This new section is intended to provide a basis for the establishment of a consistent unintentional standard for relief, referred to in the discussion of subsequent amendments and conforming amendments.

(c) Restoration of Priority Right.

This subsection amends sections 119(a), 119(e)(1), and 365(b), as well as 102(b) and 102(d) of title 35, United States Code.

Section 119(a) is amended by providing a consistent twelve-month time period throughout and vis-à-vis the amendments made in sections 102(a) and 102(d), discussed below. Additionally, section 119(a) is amended by providing that the Director may prescribe regulations, including the requirement for payment of the fee specified in section 41(a)(7) of title 35, United States Code, under which the twelve-month periods set forth in this subsection may be extended by an additional two months if the delay in filing the application in this country within the twelve-month period was unintentional.

Section 119(e)(1) is likewise amended to provide that the Director may prescribe regulations, including the requirement for payment of the fee specified in section 41(a)(7) of title 35, United States Code, under which the twelve-month period set forth in this subsection may be extended by an additional two months if the delay in filing the application under section 111(a) within the twelve-month period was unintentional.

Section 365(b) is similarly amended to provide that the Director may establish procedures, including the payment of the fee specified in section 41(a)(7) of title 35, United States Code, to accept an unintentionally delayed claim for priority based on the treaty and the Common Regulations under the treaty (Regulations), and to accept a priority claim where such priority claim pertains to an application that was not filed within the priority period specified in the treaty and Regulations but was filed within the additional two-month period specified under section 119(a).

Section 102(b) of title 35 is amended to conform the one-year period to a twelve-month period and to accommodate delayed filings under amended sections 119(a) - (d). The accommodation for delayed filings is necessary to avoid the time bar that would otherwise operate when an application is filed in the United States more than twelve months after the filing of the priority application and, for example, a reference arises in that interval between the filing of the priority application and the delayed filing date in the United States. The same rationale applies to the amendment made to section 102(d), addressed below. As such, amended section 102(b) provides a basis for a lack of novelty if the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, before the earlier of (1) twelve months prior to the date of the application for patent in the United States, or (2) the filing date of the earliest priority application to which the application is entitled and claims priority under sections 119(a) - (d) or (f), 172, 365(a) or (b), or 386(a) or (b). Delayed filings under section 119(e) are accommodated in section 102(b)(1), as amended.

Section 102(d) of title 35 is also amended to accommodate delayed filings under amended sections 119(a) - (d). To that end, amended section 102(d) provides a basis for a loss of right if the invention was first patented or caused to be patented, or was the

subject of an inventor's certificate, by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country or on an application for patent or inventor's certificate filed before the earlier of (1) twelve months before the filing of the application in the United States or (2) the filing date of the earliest priority application to which the application is entitled and claims priority under sections 119(a) - (d) or (f), 172, 365(a) or (b), or 386(a) or (b).

SECTION 302. Conforming Amendments.

This section makes conforming amendments to various provisions of title 35, United States Code.

(a) FILING DATE FOR APPLICATIONS FOR DESIGN PATENTS. -- Section 171 of title 35 is amended, in light of the changes to section 111, discussed above, to provide that the filing date of an application for design patent shall be the date on which the specification as prescribed by section 112 of this title and any required drawings are filed.

(b) RELIEF IN RESPECT OF TIME LIMITS AND REINSTATEMENT OF RIGHTS. -- Section 41(a)(7) of title 35, United States Code, is amended to provide for a petition for revival of an abandoned application for a patent, for the delayed payment of the fee for issuing each patent, for the delayed response by the patent owner in any reexamination proceeding, for the delayed payment of the fee for maintaining a patent in force, for the delayed submission of a priority or benefit claim, or for the extension of the twelve-month period for filing a subsequent application. The reference to the fee for a petition under the unavoidable standard for relief has been deleted.

Section 41(a)(7) of title 35, United States Code, as that section is to be administered pursuant to section 801(a) of Division B of Pub. L. No. 108-447, is also to provide for a petition for revival of an abandoned application for a patent, for the delayed payment of the fee for issuing each patent, for the delayed response by the patent owner in any reexamination proceeding, for the delayed payment of the fee for maintaining a patent in force, for the delayed submission of a priority or benefit claim, or for the extension of the twelve-month period for filing a subsequent application. The reference to the fee for a petition under the unavoidable standard for relief has been deleted.

Section 41(c)(1) of title 35, United States Code, is amended to conform procedures for the late payment of maintenance fees to those provided for revivals of applications and reinstatement of reexamination proceedings by newly established section 27 of title 35, as discussed above. To that end, the twenty-four month time limit for unintentional delays has been deleted and the provision is limited to relief for unintentional delays, consistent with the unintentional standard set in newly established section 27 of title 35.

Section 119(b)(2) of title 35 is amended by replacing the reference to a surcharge with "the fee specified in section 41(a)(7) of this title."

Section 120 of title 35 is amended by replacing the reference to a surcharge with “the fee specified in section 41(a)(7) of this title.”

Section 122(b)(2)(B)(iii) of title 35, is amended by deleting at the end thereof the following: “, unless it is shown to the satisfaction of the Director that the delay in submitting the notice was unintentional”.

Section 133 of title 35, United States Code, is amended to provide for a one-month time period, as opposed to a thirty-day time period, consistent with other amendments to set affected time periods in terms of months, and to conform the standard of relief for delays to the unintentional standard set in newly established section 27 of title 35.

Section 151 of title 35, United States Code, is amended to provide that the notice of allowance may specify any required publication fee. Additionally, the second paragraph is amended by changing “shall” to “may,” and the third and fourth paragraphs are deleted. The lapsed patent practice in the now deleted, last two paragraphs of section 151 would not have been consistent with PLT Article 10(1).

Section 361(c) of title 35, United States Code, is amended to provide that international applications filed in the Patent and Trademark Office shall be filed in the English language, or an English translation shall be filed within such later time as may be fixed by the Director so that international applications filed on inventions made in the United States will not lose their filing date if filed with all or part of the application in a language other than English.

Section 364(b) of title 35, United States Code, is amended to provide that an applicant's failure to act within prescribed time limits in connection with requirements pertaining to an international application may be excused as provided in the Patent Cooperation Treaty and the Regulations. The reference to an unavoidable standard for relief has also been deleted.

Section 371(d) of title 35, United States Code, is amended to delete the reference to an unavoidable standard for relief.

SECTION 303. Effective Date.

The amendments made by the Act shall be effective on the date that is one year after the date of enactment of the Act, and shall apply to all patents, whenever granted, and to all applications for patent pending on or filed after the date that is one year after the date of enactment of this Act. The amendments made by this Act, however, shall have no effect with respect to any patent that is the subject of litigation in an action commenced before the date that is one year after the date of enactment of this Act.

TITLE IV — AUTHORIZING EXPENDITURE OF FUNDS FOR TRAVEL-RELATED EXPENSES OF NON-FEDERAL EMPLOYEES ATTENDING PROGRAMS REGARDING INTELLECTUAL PROPERTY LAW.

SECTION 401: Authorization for Expenditure of Funds.

This section amends section 2(b)(11) of title 35 to authorize funds to be expended to cover the subsistence expenses and travel-related expenses, including per diem, lodging costs and transportation costs, of non-federal employees attending USPTO programs, regarding domestic and international intellectual property law and the effectiveness of intellectual property protection domestically and throughout the world

TITLE V — PROVIDING FOR THE EQUITABLE ADJUSTMENT OF PAY FOR ADMINISTRATIVE PATENT JUDGES AND ADMINISTRATIVE TRADEMARK JUDGES.

SECTION 501: Equitable Pay for Administrative Patent Judges and Administrative Trademark Judges.

This section amends Section 3 of title 35 by adding a new subsection (b)(6) which states, “The Director has the authority to fix the rate of basic pay for the administrative patent judges appointed pursuant to Section 6 of this title and administrative trademark judges appointed pursuant to Section 1067 of title 15 at not greater than the rate of basic pay payable for Level III of the Executive Schedule. The payment of a rate of basic pay under this section shall not be subject to the pay limitation section 5306(e) or 5373 of title 5.”